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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/763,803

01/23/2004

Jihua Wang

67,097-043

5003

26096 7590 02/12/2009  
CARLSON, GASKEY & OLDS, P.C.  
400 WEST MAPLE ROAD  
SUITE 350  
BIRMINGHAM, MI 48009

EXAMINER

ZARE, SCOTT A

ART UNIT

PAPER NUMBER

3687

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DELIVERY MODE

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/763,803	<b>Applicant(s)</b> WANG ET AL.	
	<b>Examiner</b> SCOTT A. ZARE	<b>Art Unit</b> 3687	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 15 December 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1,4-13 and 15-19 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1,4-13 and 15-19 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## DETAILED ACTION

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1, 4-13, 15-19 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

In regard to claims 1, 4-13, and 15-18, these claims are directed toward a method of optimizing rotatable inventory. Claim 1 is improper because it merely recites apparatus components in a method claim, rather than incorporating the apparatus which performs the method as required under 35 USC §103 (see next paragraph for further explanation). Claims 4-13 depend on claim 1 and acquire the same deficiencies as set forth above. Claim 15, is directed toward a method of maintaining an optimized rotatable inventory level, yet similarly fails to identify the apparatus performing the method.

In order for a method claim to qualify as a patentable eligible process under 35 USC §101, the process must (1) be tied to another statutory class or (2) transform underlying subject matter. *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972). Thus, to qualify as a statutory process, the claim should positively recite the other statutory class to which it is tied, for example, by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed.

Claim 19 appears to be directed toward a computer program. A computer program per se is non-statutory. However, a claimed computer-readable medium encoded with a computer program is a computer element which defines structural and functional interrelationships between the computer program and the rest of the computer which permit the computer program's functionality to be realized is statutory. See *Lowry*, 32 F.3d at 1583-84, 32 USPQ2d at 1035. Accordingly, Applicant is advised to amend the claims such that the computer program is claimed in a process where the computer is executing the computer program's instructions.

Furthermore, a "computer-readable medium," under its broadest reasonable interpretation could be interpreted to include a signal which is non-statutory (see rejection under 35 USC §101).

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claim 19 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Specifically, the specification does not provide any indication of what a computer

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readable medium is such that one of ordinary skill in the art can ascertain the scope of the claims. Specifically, while claim 19 recites a computer-readable medium, the Specification makes no mention of a computer-readable medium such that the scope of the claim can be realized.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 4-13, 15-19 rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Independent claims 1, 15, and 19 each recite the terms "refinancing a probability term." It is unclear what is meant by "refinancing," and the term is not described in the Specification such that one of ordinary skill in the art would understand its scope. Similarly, while claim 19 recites the term "medium" in the preamble of the claim, the Specification provides no guidance on the scope of this term. Thus, a "computer-readable medium," under its broadest reasonable interpretation could be interpreted to include a signal which is non-statutory (see rejection under 35 USC §101).

### ***Response to Arguments***

Applicant's arguments, see Applicant Arguments/Remarks Made in an Amendment, received 12/15/2009, with respect to currently amended claim(s) 1, 4-13, 15-19 have been fully considered and are persuasive. Therefore, the previous prior art rejections under 35 USC §102(e) and 35 USC §103(a) have been withdrawn. However,

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upon further consideration, a new ground(s) of rejection is made in view of 35 USC §101 requirements for patent-eligible subject matter and 35 USC §112 requirements for enablement and indefinite issues.

### ***Examiner's Notes***

Claims 1, 4-13, 15-19 appear to be allowable over the art of record, but there remains rejections under 35 USC §101 and 35 USC §112.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Caveney et al., US 5,608,621 (Optimizing the number of units of each part in the inventory for a selected inventory investment or service level constraint)

Freel et al., US 2004/0024661 (Optimizing inventory for spare parts)

Bar et al., US 2007/0016496 (Managing field spare plugs inventory)

Klim et al., US 2007/0156543 & US 7,266,518 (Spare parts inventory manager)

Jacoby et. al., US 2006/0047559 (Calculating target stock levels for service parts)

Canada 3000 Enlists Rotable. com to Optimize Spare Parts Investment.

*Business Wire*, Page 883, Sept 5 2000

Getting Inventories In Order, Patricia Brown, *Overhaul & Maintenance*, Vol. IX, No. 3, Pg. 32, April, 2003.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SCOTT A. ZARE whose telephone number is (571)270-3266. The examiner can normally be reached on Monday - Friday, 8:00 a.m. - 5:00 p.m., EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Matt Gart can be reached on (571) 272-3955. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Matthew S Gart/  
Supervisory Patent Examiner, Art  
Unit 3687

Scott A Zare  
Art Unit 3687  
February 5, 2009